

Department of Planning, Building and Code Enforcement 801 North First Street, Room 400

San José, California 95110-1795

HOUSING OPPORTUNITIES STUDY PHASE III **GENERAL PLAN REPORT**

2004 Fall Hearing

Hearing Date/Agenda Number: P.C. November 17, 2004 Item: 7.f

File Number:

GP03-06-08 (HOS III)

Council District and SNI Area:

District 6 /Burbank-Del Monte SNI

Major Thoroughfares Map Number:

Assessor's Parcel Number(s): 264-12-002; -003; -004; -008; -009; -010; -024; portion of -031; portion of -032

Project Manager: Dionne E. Early

PROJECT DESCRIPTION:

General Plan amendment request to change the Land Use/Transportation Diagram on a 5.1-acre site from Heavy Industrial to Industrial Park.

LOCATION: Northwest Corner of Savaker Street and Sunol Street. ACREAGE: 5.1

APPLICANT/OWNER:

City of San Jose/Various

GENERAL PLAN LAND US E / TRANSPORTATION DIAGRAM DESIGNATION:

Existing Designation: Heavy Industrial Proposed Designation: Industrial Park

EXISTING ZONING DISTRICT(S): HI Heavy Industrial

SURROUNDING LAND USES AND GENERAL PLAN DESIGNATION(S):

North: Tow truck company and various industrial uses; Combined Industrial/Commercial

South: Reed & Graham asphalt plant; Mixed Use with No Underlying Designation

East: Reed & Graham asphalt plant; Mixed Use with No Underlying Designation

West: Office/light industrial warehouse; Industrial Park

ENVIRONMENTAL REVIEW STATUS:

The Housing Opportunities Study Phase III EIR is pending certification on November 17, 2004.

PLANNING STAFF RECOMMENDATION:

Approved by:

Industrial Park on a 5.1-acre site.

PLANNING COMMISSION RECOMMENDATION:

CITY COUNCIL ACTION:

CITY DEPARTMENT AND PUBLIC AGENCY COMMENTS RECEIVED:

- Parks, Recreation and Neighborhood Services Department (PRNS)— The City's PDO/PIO will not apply to the future development of this site for industrial uses.
- <u>Department of Transportation (DOT)</u>— The estimated number of new PM peak hour trips resulting from the proposed land use change is below the exemption threshold established for this area and therefore is exempt from a computer model traffic impact analysis.
- Department of Public Works (DPW)—The subject site is in a State liquefaction zone.
- Santa Clara Valley Transportation Authority (VTA)— VTA supports the mixing of employment uses and housing, and recommends future development under the Industrial Park designation be designed without barriers to pedestrians with special attention paid to interfaces between public streets and private development designed to support walking. Mixed-use development is encouraged to create pedestrian-friendly buffers between public streets and industrial parks. VTA also emphasizes future analysis of bicycle facilities, parking, site circulation, and pedestrian and roadway access.
- San Jose Fire Department The Fire Department reserves the right to comment at a future date.
- The Office of Economic Development (OED) In verbal discussions, OED staff recommended preserving Combined Industrial/Commercial sites and other industrial sites in the Midtown area for commercial opportunities.

GENERAL CORRESPONDENCE:

At the Housing Opportunities Study Phase III Community Organizations Roundtable held March 30, 2004, the following comments were raised by those in attendance:

- Lack of open space and/or parkland in District 6;
- Need for more public outreach and education regarding City of San Jose Planning methods and processes;
- Analyze transportation alternatives such as bus ridership, pedestrian access and bike lanes and trails:
- Improve implementation of smart growth concepts at development stage;
- The likeliness that BART will get funding and be extended to San Jose;
- Loss of jobs and neighborhood-based services currently available in Midtown area should area be developed as housing;
- Possibility of reusing older warehouses in Midtown area;
- Need for more street trees and urban habitats.

Questions were answered during the meeting and/or in the EIR. Four of the six sites in the Midtown area (District 6) were withdrawn during the Draft EIR comment period.

Current owners of the various parcels constituting the GP03-06-08 amendment site expressed concerns regarding restrictions on future uses of the subject site. Staff explained that the most significant limitation on future uses of their site under the Industrial Park designation would affect the amount and type of hazardous chemicals on site, how the chemicals are used and how they are stored. The two owners were satisfied with the responses and had no further questions.

ANALYSIS AND RECOMMENDATIONS:

RECOMMENDATION

Staff recommends the General Plan Land Use/Transportation Diagram designation for the subject site be changed from Heavy Industrial to Industrial Park.

The land use change to Industrial Park for the site is appropriate for the following reasons:

- Near Future/Existing Light Rail Station. The subject site is located within the boundaries of the Vasona Light Rail Transit-Oriented Development Corridor (TOD Corridor). The general purpose of a TOD corridor is to intensify and diversify development on sites generally located within approximately 500 feet of the right-of-way of the corridor's central transportation facility or within approximately 2000 feet of an existing or planned Light Rail Transit (LRT) station. The City considers these sites as generally suitable for mixed uses, for more intensive non-residential uses, and for higher residential densities. Appropriate land uses within a TOD Corridor, including higher residential densities, more intensive job generating uses, and mixed-use development.
- Consistent With Adjacent Land Use Designations and Uses. The subject site is located south of the Midtown Specific Plan Area and north of Interstate 280. The vast majority of parcels in this area have a General Plan designation of Industrial Park and many of the parcels are located within the IP Industrial Park zoning district.
- Industrial Park is a compatible designation for existing uses and potential future uses. The existing General Plan land use designation to the north of the subject site is Combined Industrial/Commercial where a tow truck company and a mix of various light industrial uses currently operate. South and east of the subject site, land has a General Plan land use designation of Mixed Use #16 with No Underlying Designation (MU #16) and currently operates as an asphalt plant (Reed & Graham), a use that is characteristic of the HI Heavy Industrial zoning district in which it is situated. The specific uses allowed by the MU #16 designation (GP01-06-01 and GPT01-03-01) as described in the General Plan Mixed Use Inventory are multi-family residential (up to 675 dwelling units), office (up to 625,000 square feet), Public Park/Open Space (up to 4.6 acres). With all land to the west having a General Plan land use designation of Industrial Park, and most developed within an IP Industrial Park zoning district, redesignating the subject site as Industrial Park would provide a compatible transition between existing uses and potential uses.

PROJECT DESCRIPTION

This is a staff initiated General Plan amendment to change the Land Use/Transportation Diagram designation from Light Industrial to Industrial Park on a 5.1-acre site. This site

is located at the northwest corner of Savaker Street and Sunol Street. The proposed Industrial Park land use designation is an exclusive industrial designation intended for a wide variety of industrial users such as research and development, manufacturing, assembly, testing and offices. Industrial uses are consistent with this designation in so far as any functional or operational characteristics of a hazardous or nuisance nature can be mitigated through design controls. Areas identified exclusively for Industrial Park uses may contain a very limited amount of supportive and compatible commercial uses, when those uses are of a scale and design providing support only to the needs of businesses and their employees in the immediate industrial area. These commercial uses should be located within a larger industrial building to protect the character of the area and maintain land use compatibility. The primary difference between this use category and the "Light Industrial" category is that performance and design standards are more stringently applied to Industrial Park uses primarily with respect to landscaping requirements. An Industrial Park development may be either a single use or a development containing several separate uses, which is zoned, planned, developed and managed as a unit. In either case, a project would be designed to comply with more stringent development standards than in the Light Industrial category.

BACKGROUND

This staff-initiated General Plan Amendment is a result of the Housing Opportunity Study Phase III (HOS III).

In January 2000, the City Council directed Planning staff to conduct the Housing Opportunity Study (HOS). The Housing Opportunity Study is modeled on the successful Housing Initiative Study that was completed for the Guadalupe Light Rail Transit Corridor in April 1991. The Housing Opportunity Study is a proactive approach to facilitate increased housing production, support transit with appropriate development intensities, and further the City's longstanding policy of infill development. The HOS seeks to identify specific vacant or underutilized parcels, particularly within or near TOD Corridors that would be suitable for higher density or mixed-use development. These Corridors include the Guadalupe, Stevens Creek Boulevard/West San Carlos Street, Santa Clara Street/Alum Rock Avenue, Winchester Boulevard, Capitol Avenue/Expressway, and the Vasona light rail line.

The HOS has three phases, with each phase evaluating different TOD Corridors. The first phase, which focused on the Capitol Avenue/Expressway Transit-Oriented Development Corridor, was completed in 2001. Phase II focused on the Stevens Creek Boulevard/West San Carlos Street and Santa Clara Street/Alum Rock Avenue Transit-Oriented Development Corridors. Phase III is focused on underutilized lands near existing light rail stations and future BART Station locations throughout San Jose. This General Plan amendment is one of seven proposed amendments in Phase III.

Specific Plan Area/Strong Neighborhood Initiatives Area

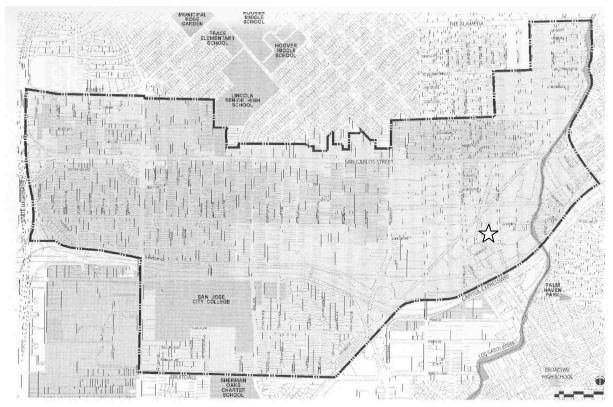
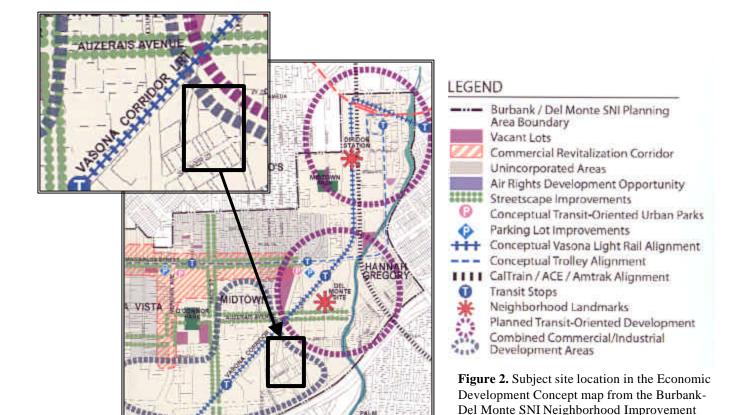


Figure 1. Map showing the subject site's general location within the boundaries of the Burbank-Del Monte SNI Neighborhood Improvement Plan.

The subject site is located outside the southern boundary of the Midtown Specific Plan area but is located within the boundary of the *Burbank-Del Monte Strong Neighborhood Initiatives Neighborhood Improvement Plan* (see Figure 1). The subject site is not specifically identified in the Strategic Action Plan section of the document, but appears in Figure 6, the Economic Development Concept map partially reprinted here (see Figure 2). The map illustrates that the subject property falls in an area planned for Combined Commercial/Industrial development that is adjacent to an area planned for Transit-Oriented Development.



Plan.

Site & Surrounding Context

The subject site is located south of the Midtown Specific Plan Area and north of Interstate 280. The vast majority of parcels in this area have General Plan land use designations of Industrial Park and most are developed within an IP Industrial Park zoning district.

If approved by Council, the Industrial Park General Plan land use designation is compatible between existing uses and potential future uses. The existing General Plan land use designation to the north of the subject site is Combined Industrial/Commercial. In this area a tow truck company and a mix various light industrial uses currently operate. The General Plan land use designation to the south and east of the subject site is Mixed Use with No Underlying Designation (MU #16) and currently operates as an asphalt plant (Reed & Graham), a use that is characteristic of the HI Heavy Industrial zoning district in which the plant it is situated. The specific uses allowed by the MU #16 designation (GP01-06-01 and GPT01-03-01) as described in the General Plan Mixed Use Inventory are multi-family residential (up to 675 dwelling units), office (up to 625,000 square feet), Public Park/Open Space (up to 4.6 acres). With all land to the west having a General Plan

land use designation of Industrial Park, and most developed within an IP Industrial Park zoning district, redesignating the subject site as Industrial Park would provide a compatible transition between existing uses and potential uses (see Figure 3 and 4).

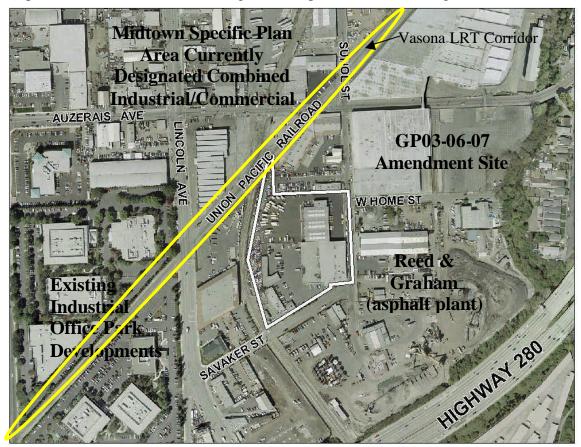


Figure 3. Aerial photograph showing the boundaries of the subject site and surroundings.

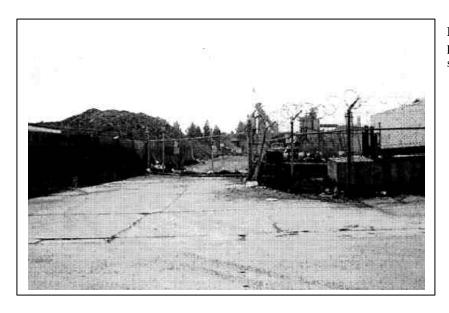


Figure 4. Photo of asphalt plant east and south of the subject site.

ANALYSIS

Consistency with the San Jose 2020 General Plan Major Strategies, Goals, and Policies

The Major Strategies and Goals and Policies of the *San Jose 2020 General Plan* support infill residential development in appropriate areas of the City and encourage sustainable practices, such as orienting residential development and employment centers near transit facilities and existing retail and commercial uses. This approach helps to increase the availability of transit and the implementation of bicycle and pedestrian connections. The results are shortened trip lengths, and a reduction in the number of vehicular trips, thereby conserving energy and improving water and air quality.

Major Strategies

The San Jose 2020 General Plan has seven Major Strategies that identify the principal objectives of the Plan. Of those seven, this amendment directly relates to three Major Strategies: (1) Growth Management; (2) Economic Development; and (3) Sustainable City.

The proposed amendment is supportive of the Growth Management Major Strategy that seeks to find the balance between the need to house new population and the need to balance the City's budget, while providing acceptable levels of service. The amendment site is located within an area where urban facilities and services are already available; any infill development on this site supports the intent of the Growth Management Major Strategy.

The proposed amendment is also supportive of the Economic Development Major Strategy that seeks to maximize the economic potential of the City's land resources while providing employment opportunities for San José's residents. The amendment site is located within an area where several other businesses are operating. This site is also located within the Vasona LRT Transit-Oriented Development Corridor and near a LRT station established to serve other employment centers in the area.

The Sustainable City Major Strategy seeks to reduce traffic congestion, pollution, wastefulness, and environmental degradation of our living environment. The amendment site is located within the Central planning area of the City and within close proximity to existing bus and rail transit. Locating development in already urbanized areas and around transit contributes to sustainability by shortening trip lengths and providing for the availability of different modes of transportation such as public transit, biking, and walking. This in turn helps to conserve energy and improve air quality.

Goals and Policies

The proposed land use change on the subject site is consistent with the General Plan's Goals and Policies. Of particular importance is consistency with the following goals and policies:

- Balanced Community Policy 1. The City should foster development patterns which will achieve a whole and complete community in San José, particularly with respect to improving the balance between jobs and economic development on the one hand, and housing resources and a resident work force on the other. A perfect balance between jobs and housing may not be achievable but the City should attempt to improve this balance to the greatest extent feasible.
- **Balanced Community Policy 3.** Encouragement should be given to achieving a social, economic and housing mix in all neighborhoods.
- **Balanced Community Policy 4.** Business and industry should be encouraged to provide job opportunities for all members of the community's work force.
- **Industrial Land Use Policy 1.** Industrial development should incorporate measures to minimize negative impacts on nearby land uses.
- Industrial Land Use Policy 2. The City should encourage the development of new industrial areas and the redevelopment of existing older or marginal industrial areas, particularly in locations which facilitate efficient commute patterns. The use of Redevelopment tax increment financing to provide necessary public improvements is one means of encouraging this economic development and revitalization.
- Industrial Land Use Policy 3. The City should monitor the absorption and availability of industrial land, particularly land identified exclusively for industrial uses, to ensure a balanced supply of available land for all sectors, including industrial suppliers and services, and should periodically assess the condition and amount of the industrial land supply to achieve this end.
- **Urban Design Policy 1.** The City should continue to apply strong architectural and site design controls on all types of development for the protection and development of neighborhood character and for the proper transition between areas with different types of land uses.

The proposed land use change is consistent with the General Plan Balanced Community Goal, which states, "Develop a balanced and complete community in terms of land use distribution and densities, housing types and styles, economic development and job opportunities and opportunities for social and cultural expression." With a land use designation of Industrial Park, the subject site will be able to continue as a site for economic development and new job opportunities near existing and future residential and commercial uses.

The proposed land use change is also consistent with the General Plan Industrial Land Use Goal, which states, "Provide sufficient land for a variety of industrial uses that is distributed to provide optimum commute access and to promote a balanced distribution of jobs and housing to reduce traffic congestion and air pollution." The subject site is

located near both heavy and light industrial operations, housing, commercial development and the Vasona LRT Station, and a variety of opportunities exist for commuting by public transportation, walking or biking to work.

Potential for Inducement of Additional Conversion

The land use designation of Industrial Park is compatible with the surrounding industrial land use designations, and the proposed land use conversion would respond to the designation of other lands in this area to Industrial Park and mixed uses. City staff is mindful of the City's goal to preserve employment lands for economic development. In fact, as a result of internal discussions with Planning staff and the Office of Economic Development, four of the six proposed General Plan amendments (GP03-06-03, GP03-06-04, GP03-06-05, and GP03-06-06) in the Midtown area were withdrawn from consideration by City staff during the Draft EIR comment period in order to preserve Combined Industrial/Commercial sites in the Midtown area for commercial opportunities. These amendment sites were within close proximity to the subject site. Planning staff believes that the conversion of this site to Industrial Park would provide a compatible buffer between the Combined Industrial/Commercial designated areas to the north and the existing heavy industrial uses to the east and south that are within an area with a land use designation of Mixed Use with No Underlying Designation, consisting of future residential, office and park uses.

ENVIRONMENTAL REVIEW

The Housing Opportunity Study Phase III Environmental Impact Report (EIR) was prepared in conformance with the California Environmental Quality Act (CEQA). The EIR provides program level environmental review appropriate for the adoption of amendments to the San Jose 2020 General Plan. The EIR analyzed impacts and proposed mitigation measures, where possible, on the following items:

- Land Use
- Transportation
- Air Quality
- Noise
- Geology And Soils
- Cultural Resources
- Hydrology
- Public Services And Facilities
- Hazardous Materials

Vegetation And Wildlife

The EIR identified four cumulative significant impacts including transportation, air quality, public services and facilities and jobs/housing imbalance for the HOS III sites.

The Housing Opportunities Study Phase III Environmental Impact Report scoping meeting was held on January 21, 2004. The Notice of Availability of Draft Environmental Impact Report (EIR) and Public Comment Period was published in the San Jose Mercury News on August 13, 2004.

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PUBLIC OUTREACH

The property owners and occupants within a 1,000-foot radius were sent a newsletter regarding the two community meetings that were held on October 6 and 7, 2004. They also received a notice of the public hearings to be held on the subject amendment before the Planning Commission on November 17, 2004 and City Council on December 7, 2004. The Department web site contains information regarding the General Plan process, amendments, staff reports, and hearing schedules. This web site is available to any member of the public and contains the most current information regarding the status of the amendments.

Additionally, as mentioned above in the Environmental Review section of this staff report, staff hosted an EIR scoping meeting on January 21, 2004, and a community organization roundtable discussion on March 30, 2004. Invitees included interested citizens and neighborhood organization leaders and contact people. Staff also made a presentation to the Burbank-Del Monte Neighborhood Association on August 7, 2004.

Attachments: Parks and Recreation Commission letter; Valley Transportation Authority letter; Public Works letter; San Jose Fire Department letter; Pacific Gas and Electric letter; Department of Transportation letter.

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